

USAID/MONGOLIA
ANNUAL REPORT FY 2002

March 2002

Please Note:

The attached RESULTS INFORMATION is from the FY 2002 Annual report, and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Annual Report is a “pre-decisional” USAID document and does not reflect results stemming from formal USAID review(s) of this document.

Related document information can be obtained from:

USAID Development Experience Clearinghouse

1611 N. Kent Street, Suite 200

Arlington, VA 22209-2111

Telephone: 703/351-4006 Ext. 106

Fax: 703/351-4039

Email: docorder@dec.cdie.org

Internet: <http://www.dec.org>

Released on or after July 1, 2002

Part III: Performance Narrative

A. Challenges

Mongolia is a decade into a political and economic transition of historic proportions. A nominally independent appendage of the Soviet Union from 1921 until 1990, it has in recent years emerged an important example of far-reaching political and economic reform. Six successive national elections have been held since 1992, all of them free and fair. During the last ten years, Mongolia has also transformed itself from a state-owned centralized economy into a market driven economy in which the private sector produces nearly 80 percent of the country's GDP. Mongolia's relative success in the political arena in particular stands in stark contrast to its five Central Asian neighbors, each of which is still governed by the same former Communist leader who assumed power at independence.

Nearly eight centuries ago, the Mongol invasions brought Asia forcefully into contact with both Europe and the Middle East. These invasions set the stage for the emergence of international trading patterns that some regard as the direct precursor of today's globalization. Now Mongolia's strategic importance is primarily due to its geographic location between two leading players on the global stage, China and Russia. Mongolia's southern border with China extends for 2,800 miles, China's longest single border with any country. Mongolia's northern border with Russia extends for another 1,900 miles. North Korea is some 500 miles to the east, Kazakhstan a couple dozen miles to the west. More recently, the emergence of the polar route between North America and Asia underscores the importance of Mongolia's geographic position. Last year, more than 20,000 commercial airlines travelling between Asia and North America or Europe used air corridors crossing Mongolian airspace, providing more than \$20 million in badly needed foreign exchange.

Mongolia's greatest development challenge is almost certainly its relative isolation and remoteness. More than twice the size of Texas, it has less than 1,000 miles of paved roads. Air links within Mongolia are sporadic. A single rail line runs through the middle of the country. Most long journeys must be made in jeeps across tracks that run across the Mongolia's formidable deserts, steppes and mountains. A land-locked country, the distance to ports controlled by Russia and China add to the cost of trade, making it even more difficult for Mongolia to compete in the global marketplace.

Official estimates point to a per capita income of around \$450 a year. External debt by the end of 2001 was approaching \$1 billion, equivalent to the country's annual GDP. Almost all the debt is on concessional terms. The Asian Development Bank is the largest multilateral lender, while Japan is the most important bilateral provider of both loan and grant assistance. Total foreign assistance exceeds \$300 million annually. Yet the economic challenge remains formidable, with annual growth rates during the past couple of years stagnating to around one percent. Major social indicators related to health and education remain quite high, but estimated poverty rates exceed 30 percent. Most Mongolians still do not have running water and electricity in much of the countryside is either non-existent or confined to a few hours a day. Harsh and unpredictable winters exacerbate economic problems still further, adversely affecting the livestock sector that accounts for more than 30 percent of GDP.

The USAID program positively influenced economic developments last year in a number of ways. In particular, USAID helped revitalize the Agricultural Bank with its network of more than 300 rural branches. It also achieved several essential steps related to the commercialization of the energy sector, including establishment of an independent Energy Regulatory Authority (ERA) and the "unbundling" of the country's major power utility into 18 separate entities. Also, USAID in partnership with the Government of Mongolia launched a new judicial reform initiative. Another effort, this one supporting Mongolia's parliament and political parties, took on new importance at a time when the country's opposition appears to be stumbling. Having trounced the opposition in the most recent series of parliamentary, presidential and local elections, the former communist

Mongolian People's Revolutionary Party (MPRP) now enjoys overwhelming power, a situation that is unhealthy for democracy over the long term.

B. Program Performance

438-001: Accelerate and Broaden Environmentally Sound Private Sector Growth

This Strategic Objective remains on track, meeting several planned targets for the year and exceeding some of them. Overall GDP growth rates stagnated at a disappointing 1.2 percent in the wake of unusually harsh winter conditions that decimated livestock and devastated large sections of rural Mongolia. By some calculations, in the absence of the winter *zhud*, economic growth rates in Mongolia would have been as high as seven percent. More encouraging, the private sector share of Mongolia's economy is now estimated at 78 percent, well over the 75 percent target set by the 1998 – 2003 USAID/Mongolia strategy for 2003. Perhaps the most dramatic program impact at the micro level has been in the financial and energy sectors, where USAID played a direct role in rejuvenating the Agricultural Bank and reorganizing Mongolia's power sector. In addition, the USAID-funded Gobi Initiative continues to set a powerful example to other donors of how to directly address essential concerns facing the majority of Mongolians living outside Ulaanbaatar.

Achievements

Intermediate Result 1 (Transfer Productive Assets to Private Ownership): Privatization met with mixed results during 2001. Since 1998, USAID-funded advisors have been instrumental in the sale of 47 government-owned enterprises through a sealed-bid auction process that raised more than \$15.4 million in revenue for the state. In addition, USAID was vitally involved in developing the country's *Privatization Guidelines for 2001-2004*. These were approved by parliament in January 2001, setting in motion international tenders for sale of two large public enterprises, Gobi Cashmere (Mongolia's largest cashmere company) and the Trade and Development Bank (Mongolia's largest commercial bank). Global recession in the wake of the events of September 11 dampened international interest and several potential bidders either did not submit an application or withdrew from the process. However, by January 2002, the State Property Committee (www.spc.gov.mn) was negotiating with one pre-qualified offer for Gobi and several for the Trade and Development Bank (TDB). There are some grounds for optimism that TDB, at least, will be privatized in 2002.

Steps required for the commercialization of Mongolia's energy sector are proceeding apace, setting the stage for the eventual privatization of at least some newly privatized power utilities. Specific steps realized include (1) legal establishment of the Energy Regulatory Authority (ERA); (2) formal staffing and launch of ERA operations; (3) unbundling of generation, transmission and distribution functions into 18 separate entities; and (4) ERA approval of the first energy licenses and tariff submissions. However, much difficult work lies ahead. In particular, the ERA must assert real independence from the Ministry of Infrastructure. It must also demonstrate skill and professionalism as it responds to the requirements of energy producers; meets the needs of energy consumers; and expands its essential role in organizing and maintaining the regulatory framework for Mongolia's all-important energy sector.

Intermediate Result 2 (Increase the Efficiency of Financial Markets): The complete turn-around of Mongolia's Agricultural Bank during 2001 is a success story of the highest order. The bank boasts the largest network of branch offices in the country and plays a critical role in providing badly needed financial services to rural Mongolia. By summer 2000, the bank was technically bankrupt and faced liquidation. Beginning in fall 2000, USAID placed a senior US banker as the head of a management team with a mandate to run the bank on commercial lines. By January 2001, the Agricultural Bank had achieved profitability. Under the USAID-funded management team, it has opened 67 new offices (bringing the total number of branch offices to 336), hired 360 new employees, made more than 43,000 loans and opened 51,000 new deposit accounts. By

January 2002, the Agricultural Bank was paying the government more than \$50,000 a month in taxes. The next challenge will be for the Mongolian government to privatize the bank as part of an ongoing effort to consolidate and sustain the gains that have already been achieved.

The merger of the USAID-supported Goviin Ekhlel with the UNDP-supported Golden Fund for Development represents another important achievement in expanding Mongolia's financial sector. At the time of the merger in January 2002, Goviin Ekhlel had made more than \$1.2 million in loans while maintaining an impressive track record of no arrears, no losses and no defaults. The merger resulted in the establishment of XacBank, an important new source of financial services for rural Mongolia. As a formal banking institution, XacBank now has a network of 20 branch offices. By the end of 2002, it should be in a position to offer a range of financial services to clients throughout the country.

Intermediate Result 3 (Improve the Business Environment): Virtually every USAID-funded program under this SO includes activities designed in one way or another to improve the business environment. Several notable milestones were achieved during 2001, though not all of them are adequately reflected in the performance monitoring tables maintained by the Mission.

First, at a grassroots level, the USAID-funded Gobi Initiative emerged as a key player in rural Mongolia. Focused on the vast Gobi region that stretches across much of central and southern Mongolia, it also sets an example that other donors are watching closely and in some cases emulating. The successful implementation of "Cashmere Market Days" ranks among the greatest achievements of the year, allowing herders to sell cashmere directly to traders at premium prices. Herders in the two aimags benefiting from the market days received as much as \$600,000 more in sales than would normally have been the case. Regular readers of the *Rural Business News* (with a circulation of 100,000) and regular listeners of *Market Watch* (with an audience of as much as a million) received a steady stream of information on prices as well as on how a market economy works. The Gobi Initiative also launched a series of business start-up workshops that resulted in 25 new business, more than half of them started by women.

Second, at a firm level, the USAID-funded Competitiveness Initiative (www.initiative.mn) worked directly with private Mongolian companies involved in three sectors that offer much promise for the future—tourism, meat and cashmere. The fact that USAID ensured Mongolian representation at the February 2001 adventure tourism fair in Chicago was almost certainly a catalyst in increasing the number of American visitors to Mongolia by almost 20 percent. This year, USAID is helping arrange Mongolian representation at similar fairs in Spain, Britain and Italy. USAID support for the previously moribund Mongolian Tourism Association (www.travelmongolia.org) increased paid membership from six to more than fifty, an increase of almost 1,000 percent. More recently, efforts have centered on forming a public-private partnership to ensure that both government and the private sector work together to develop Mongolia's huge tourist potential.

Activity in the meat sector focused on improving standards as part of a broader effort to strengthen Mongolia's export potential. With regard to cashmere, efforts focused on developing a licensed trademark that would promote Mongolian cashmere as an upscale, quality product. The results of a design contest involving students from North Carolina State University and the Pratt Institute of Design are now being reviewed and an attractive new trademark should begin to appear on "Made in Mongolia" labels this year.

Third, at a macro level, the USAID-funded Economic Policy Support Project (EPSP) offers a flexible, quick-response mechanism for addressing major policy issues facing the country. The arrival of a new chief of party with broad experience in energy, mining, privatization and policy analysis in November 2001 further strengthened USAID's ability to make a difference. It also improves dialogue with other donors, ensures timely advice to the Prime Minister's office and enhances the visibility of the program.

Among other things, EPSP helped shape development of Mongolia's new energy strategy; highlighted growing concerns over Mongolia's debt situation; fielded a leading American expert to discuss and critique Mongolia's new draft land law with members of parliament; and helped launch a new public-private sector initiative. Support for the latter included development of a web site within the Prime Minister's office (www.open-government.mn) to encourage public discussion on policy issues and public input into pending new economic legislation. During its first month of operation, the site received more than 1,000 "hits" and was visited by hundreds of different people.

Intermediate Result 4 (Improved Management of Natural Resource Base for Long Term Sustainable Use): The Gobi Initiative is emerging as the Mission's main tool for addressing this element of the current strategy. As concerns over the environmental fate of the fragile Gobi region grow, its role will almost certainly increase. At this point, the Gobi network focuses on six aimags representing approximately one third of rural Mongolia. The program includes ongoing relationships with 250 herder groups representing 2,500 families and a total population of more than 10,000. Conflicts over grazing and water rights emerging during 2001 in several parts of the Gobi perhaps serve as a portent of things to come. Over the coming months, the Mission will discuss with Gobi Initiative staff possible new approaches aimed at strengthening our involvement in environmental and natural resource management in Mongolia.

The fact that two other USAID-funded programs involved in environmental issues concluded in late 2001 underscores the importance of further integrating environmental concerns within the Mission's broader portfolio and especially within the Gobi Initiative. First, the three-year agreement with the Department of Interior and the Philadelphia Academy of Natural Sciences concluded in December 2001. Program activity focused on Lake Hovsgol National Park and resulted in a number of park improvements, including a new radio communications system, a new visitor center and a new program to monitor water quality. The grant also helped Mongolia develop a proposal nominating the Lake Hovsgol region as a "world heritage site". As part of the application process, the Government of Mongolia dramatically increased the size of watershed around the lake designed as a "strictly protected area," preserving the fragile area for future generations. Second, the ACDI/VOCA farmer-to farmer program that had included an environmentally-friendly "no till" agricultural activity also concluded in September 2001.

438-002: Consolidate Mongolia Democratic Transition

The launch of a new judicial reform initiative in spring 2001 represented the major development under this Strategic Objective for 2001. In addition, during December 2001 the Mission engaged in extensive negotiations with the International Republican Institute (IRI) about a new program focused on parliamentary and political party development. The two programs entail the development of new monitoring and tracking information, making it difficult to monitor progress made during the course of only twelve months. However, at the end of the year, the SO appeared on track and was poised to make important progress in 2002, especially in areas related to judicial reform.

Intermediate Result 1 (Establish the Foundation for an Effective Rural Civil Society): Earlier discussion about the Gobi Initiative, the Mission's main vehicle for addressing economic as well as civil society concerns in rural Mongolia, largely covers this intermediate result. The development of herder groups as well as support for expanded rural access to information through the *Rural Business News* (www.rbn.mn) and *Market Watch* (www.marketwatch.mn) represent some of the more important ways in which Gobi contributes to a more viable civil society in rural Mongolia. More generally, a sustainable rural economy is the bedrock for any stable and effective civil society. A nation-wide survey from November 2001 underscores the continued support that Mongolia's transition has in rural areas, with 87 percent of the respondents indicating that the transition to democracy in 1990 was the "right step." Almost as many—82 percent—gave a similar endorsement to the transition to a market economy, despite the difficulties that many Mongolians have experienced.

Intermediate Result 2 (Improve the Effectiveness of Parliament and the Judiciary): 2001 witnessed the launch of a new USAID-funded judicial reform program that is already achieving results. Delayed by almost a year because of the Mission's decision to first achieve national consensus on a strategy for judicial reform before launching any new activities, this approach is already paying dividends. In particular, the strategy provides a "blueprint" for a series of programs funded by USAID as well as other donors without having to constantly seek new approvals or consult with yet more stakeholders. A new set of targets and indicators related to the USAID-funded judicial reform program, prepared in early 2002, is now being reviewed.

Some tangible results can already be reported. For example, USAID helped reorganize and substantially automate administration of the Capital City Court in Ulaanbaatar. New computer databases provide instant access and status reports on pending cases, not only for judges and lawyers but also to members of the general public. According to the chief court administrator, this innovation represents a "revolution" within the Mongolian judiciary. The change has important implications for judicial transparency, given that the Capital City Court is Mongolia's largest appellate court and handles almost half the appeal cases in the country.

The new judicial reform program also strengthened its credibility in other areas, in part by working with members of parliament to comment on new criminal code procedures. USAID inputs emphasized the importance of ensuring effective judicial review of arrests and detention. Other early activities include training sessions in the adversarial process and a popular English language program for 48 legal professionals. Having improved their English language skills, these professionals are now far more pro-active in accessing important legal materials from throughout the world.

Against this backdrop of early success, it is important to emphasize the formidable challenges ahead. A November survey indicated that most Mongolians have little or no confidence in the country's judiciary. The survey also showed that the judiciary ranked well behind other leading political institutions such as the president, parliament and political parties as far as public confidence is concerned. International experience suggests that judicial reform often proceeds slowly and represents one of the most difficult of all development challenges. The goal in Mongolia is to overcome these challenges and achieve lasting reform.

The ruling Mongolian People's Revolutionary Party (MPRP), which took over from the Democratic Party following a landslide parliamentary victory in June 2000, dominates politics in Mongolia. The MPRP further consolidated its grip on power with its victory in local elections in October 2000 and presidential elections in May 2001. Given this dominance, it becomes all the more important to cultivate multiple political voices and ensure transparency within political parties as well as within parliament.

In the wake of elections that left the opposition political parties weakened and almost "shell shocked," IRI has received a number of requests for training in such important areas as post-election analysis and local party development. Also, IRI worked with parliament to reach agreement on a memorandum of understanding for further initiatives aimed at strengthening legislative oversight, making information more widely available and improving parliamentary operations. Both parliamentary and political party development figures prominently in the new three-year partnership with IRI scheduled for launch in spring 2002.

Finally, it is worth highlighting the clear overlap between economic reform on the one hand and democracy programs on the other. USAID/Mongolia works hard to encourage synergies between the two. For example, the important impact that an effective and transparent judiciary can have on commercial activity is obvious. Similarly, the launch of the Prime Minister's web page as part of a broader USAID-supported public-private initiative has clear relevancy for broader democracy objectives. The web site, initially designed to solicit feedback on pending economic legislation,

received more than 1,000 “hits” during its first month of operation. It also represents an important step forward as far as transparency and accountability in government is concerned.

C. Synergy Among USAID-Funded Partners and Other Donors

As a relatively small program in a country that faces enormous challenges, USAID/Mongolia attempts to lead by example. It emphasizes a pragmatic, flexible approach to problems. It focuses on achieving results. And it places a high premium on promoting cooperation among other donors and among its various implementing partners. The goal is to create synergy among different activities and thereby have impact in ways that go far beyond the actual size of the USAID program in Mongolia.

At the start of 2002, the USAID program in Mongolia was primarily being implemented by six contractors or grantees, four under our economic SO (Mercy Corps, Nathan and Associates, Barents and Development Associates, Inc) and two under our democracy SO (National Association for State Courts and the International Republic Institute). Several other activities—a small scholarship program for graduate study in the US; a grant to the Catholic Mission to equip a technical training school in Ulaanbaatar; the Global Technology Network (GTN) linking Mongolian and American businesses; the International Cities Resource program dealing with urban issues—also help support the Mission’s broader strategic objectives.

The six major USAID contractors and grantees working in Mongolia routinely demonstrate examples of cooperation and coordination with each other and with other donors. For example, the Competitiveness Initiative worked with the Gobi Initiative to implement the highly successful “Cashmere Market Days” in spring 2001. It also worked closely with the Economic Policy Support Program (EPSP) to launch the Government of Mongolia’s new public-private sector initiative in late 2001. Meanwhile, the EPSP resource center in downtown Ulaanbaatar is often the venue for programs conducted by other USAID partners or other donors. In addition, EPSP regularly consults with other contractors and grantees in important cross-cutting areas, such as with Barents on privatization and with Gobi on rural finance.

Donor coordination is sometimes more problematic. In terms of size, USAID programs are far overshadowed by those provided by Japan and by the multilateral donors, particularly the Asian Development Bank and the World Bank. Individual donors often have their own agendas and institutional imperatives. Duplication and overlap unfortunately do sometimes occur. Yet there are also numerous examples that underscore the positive impact that is possible when different organizations work hard at working together.

Perhaps the most notable recent example of effective donor coordination is the merger of the USAID-supported Govii Ekhlel rural finance program with the UNDP-supported Golden Fund for Development. This resulted in the establishment of XacBank as a significant supporter of small and medium sized business in Mongolia. Recent agreement with the International Finance Institution (IFC) and the Consultative Group to Assist the Poorest (CGAP) to help train XacBank staff provide other positive examples of mutually reinforcing donor support. At this point, negotiations are ongoing with a view toward working out arrangements for organizations such as IFC, the European Bank for Reconstruction and Development (EBRD), Shorebank and Triodos to take an equity position in XacBank. Other elements of the Gobi Initiative include cooperation with GTZ in the area of veterinary service improvements and cooperative development and ongoing discussions with the World Bank about possible additional support through the Global Environment Fund (GEF).

Elsewhere, other USAID activities have worked closely with various donors to widen the scope of their activity and deepen its impact. For example, the EBRD actively sought advice from the Competitiveness Initiative on which enterprises to support. Similarly, the highly successful EPSP management contract with the Agricultural Bank developed following dialogue with the World

Bank as well as other donors. The Agricultural Bank activity is now the focus of much attention and praise by numerous other donors working in Mongolia, including GTZ which is providing some technical assistance and the EBRD which is contemplating management contracts involving other Mongolian companies. The USAID-funded judicial reform program works closely with a related GTZ program. In particular, it cooperates closely in terms of developing training courses, arranging training schedules and selecting training venues.

Given continued uncertainty about funding levels in FY 2003 and beyond, USAID will continue to look for ways to promote synergy among its own partners and expand cooperation with other donors.

Table 1: Annual Report Selected Performance Measures

March 4, 2002

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives						
1	Did your operating unit achieve a significant result working in alliance with the public sector or NGOs?	Yes	No	X	N/A	N/a
2	a. How many alliances did you implement in 2001? (list partners)	1			ESF	Salesian Brothers - to build technical training school in Ulaanbaatar that opened in 2001
	b. How many alliances do you plan to implement in FY 2002?	1			ESF	Xasbank - will seek other international partners from private sector during 2002
3	What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?	\$700,000			N/a	
Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.						
4	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets? (438-001 Private sector led economic growth)	Exceed	Met	Not Met		
			x			
USAID Objective 1: Critical, private markets expanded and strengthened						
5	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
			x			
USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged						
6	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
			x			
USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable						
7	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		See descripton of work related to Gobi Initiative, Agricultural Bank and Xasbank in narrative
		x				

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded					
8 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/a	x	
9 a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual)	Male N/a	Female N/a	Total N/a	x	
b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	N/a	N/a	N/A	x	
USAID Objective 5: World's environment protected					
10 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
11 a. Hectares under Approved Management Plans (2001 actual)					
b. Hectares under Approved Management Plans (2002 target)					
Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.					
12 If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not met		Not applicable
x					
13 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	x	
USAID Objective 2: Reducing infant and child mortality					
14 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	x	

Indicator (all data should pertain to FY or CY 01)		OU Response		Fund Account	Data Quality Factors	
USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth						
15	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries						
16	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
USAID Objective 5: Reducing the threat of infectious diseases of major public health importance						
17	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
Pillar IV: Democracy, Conflict and Humanitarian Assistance						
18	If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets? (438-002 Democratic Transition)	Exceed	Met x	Not Met		
USAID Objective 2: Credible and competitive political processes encouraged						
20	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
USAID Objective 3: The development of politically active civil society promoted						
21	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
USAID Objective 4: More transparent and accountable government institutions encouraged						
22	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes x	No	N/A		Established interactive website for Prime Minister's Office (www.open-government.mn/) See narrative

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 5: Conflict					
23 Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
24 Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
25 Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total x		
USAID Objective 6: Humanitarian assistance following natural or other disasters					
26 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
27 Number of beneficiaries					

Table 2: Selected Performance Measures for Other Reporting Purposes

The information in this table will be used to provide data for standard USAID reporting requirements

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Child Survival Report						
Global Health Objective 1: Reducing the number of unintended pregnancies						
1	Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	n/a				
Global Health Objective 2: Reducing infant and child mortality						
2	Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total		
3	Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total		
4	Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total		
5	Were there any confirmed cases of wild-strain polio transmission in your country?					
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth						
6	Percentage of births attended by medically-trained personnel (DHS/RHS)	N/a				
Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance						
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)	n/a				
	b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)	n/a				
8	Proportion of districts implementing the DOTS Tuberculosis strategy	n/a				

HIV/AIDS Report

Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries

9	a. Total condom sales (2001 actual)	n/a				
	b. Total condom sales (2002 target)	n/a				
10	a. Number of individuals treated in STI programs (2001 actual)	Male	Female	Total		
	b. Number of individuals treated in STI programs (2002 target)					
11	Is your operating unit supporting an MTCT program?	n/a				
12	a. Number of individuals reached by community and home based care programs (2001 actual)	Male	Female	Total		
	b. Number of individuals reached by community and home based care programs (2002 target)			n/a		
13	a. Number of orphans and vulnerable children reached (2001 actual)	Male	Female	Total		
	b. Number of orphans and vulnerable children reached (2002 target)			n/a		
14	a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)	Male	Female	Total		
	b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)			n/a		

Victims of Torture Report						
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture						
15	Did you provide support to torture survivors this year, even as part of a larger effort?	n/a				
16	Number of beneficiaries (adults age 15 and over)	Male	Female	Total		
17	Number of beneficiaries (children under age 15)	Male	Female	Total		

Global Climate Change			
USAID Objective 5: World's environment protected			
18	Global Climate Change: See GCC Appendix		

Part VI: Results Framework: USAID/Mongolia

Mission Program Goal: A market-oriented and democratic society established in Mongolia.

Strategic Objective 1 (438-001-01): Accelerated and broadened environmentally sound private sector growth.

IR 1.1: Productive assets transferred to private ownership in a transparent manner.

IR 1.2: Increased efficiency of financial markets.

IR 1.3: Improved business environment.

IR 1.4: Improved management of natural resource base for long-term sustainable use.

Strategic Objective 2 (438-002-01): Consolidate Mongolia's democratic transition.

IR 2.1: Establish the foundation of an effective rural civil society.

IR 2.2: Improve the effectiveness of parliament, political parties and the judiciary.

Part VII: Environmental Compliance

The environmental statement provided in last year's Results Review and Resource Request (R4) remains unchanged. No new contracts or grants have been initiated during the last year, nor are any anticipated over the short to medium term (the planned new three-year program with the International Republican Institute expected to commence in April involves no substantive change as far as types of activity is concerned). As far as we are aware, USAID/Mongolia's two Strategic Objectives and the related activities funded under them are in compliance with their approved Initial Environmental Examinations. If need be, this can be reviewed during the upcoming USAID/Mongolia program review. In addition, USAID/Mongolia intends to send one staff member to the upcoming regional environmental training program in Cairo as part of an effort to increase our own capacity in this important area.